



3015 (02-09-04)

ANNUAL REPORT

OF

Name: MELROSE MUNICIPAL WATER UTILITY

Principal Office: 112 WASHINGTON ST
MELROSE, WI 54642

For the Year Ended: DECEMBER 31, 2003

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I JUDY ANDERSEN of _____
(Person responsible for accounts)

_____, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts)

03/15/2004
(Date)

VILLAGE CLERK _____
(Title)

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
 FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.1)	F-07
Accumulated Provision for Depreciation and Amortization of Utility Plant (Acct. 110.2)	F-08
Net Nonutility Property (Accts. 121 & 122)	F-09
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-10
Materials and Supplies	F-11
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-12
Capital Paid in by Municipality (Acct. 200)	F-13
Bonds (Acct. 221)	F-14
Notes Payable & Miscellaneous Long-Term Debt	F-15
Taxes Accrued (Acct. 236)	F-16
Interest Accrued (Acct. 237)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Important Changes During the Year	F-20
Financial Section Footnotes	F-21
Contributions in Aid of Construction (Account 271)	F-22
 WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Property Tax Equivalent (Water)	W-07
Water Utility Plant in Service --Plant Financed by Utility or Municipality--	W-08
Water Utility Plant in Service --Plant Financed by Contributions--	W-10
Source of Supply, Pumping and Purchased Water Statistics	W-12
Sources of Water Supply - Ground Waters	W-13
Sources of Water Supply - Surface Waters	W-14
Pumping & Power Equipment	W-15
Reservoirs, Standpipes & Water Treatment	W-16
Water Mains	W-17
Water Services	W-18
Meters	W-19
Hydrants and Distribution System Valves	W-20
Water Operating Section Footnotes	W-21

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MELROSE MUNICIPAL WATER UTILITY

Utility Address: 112 WASHINGTON ST
MELROSE, WI 54642

When was utility organized? 1/1/1939

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: JUDY ANDERSEN

Title: VILLAGE CLERK

Office Address:

112 WASHINGTON ST
P.O. BOX 117
MELROSE, WI 54642

Telephone: (608) 488 - 3191

Fax Number: (608) 488 - 3191

E-mail Address:

Individual or firm, if other than utility employee, preparing this report:

Name: WILLIAM SHERRY

Title: CPA

Office Address: ENGELSON AND ASSOCIATES, LTD.

3317 MORMON COULEE ROAD
P.O. BOX 452
LA CROSSE, WI 54601

Telephone: (608) 788 - 2181

Fax Number: (608) 788 - 3162

E-mail Address: bill@eacpas.psemail.com

President, chairman, or head of utility commission/board or committee:

Name: LUANN HOUSE

Title: CHAIRPERSON

Office Address:

P.O. BOX 123
MELROSE, WI 54642

Telephone: (608) 488 - 3191

Fax Number:

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: WILLIAM SHERRY**Title:** CPA**Office Address:** ENGELSON AND ASSOCIATES, LTD.

3317 MORMON COULEE ROAD

P.O. BOX 452

LA CROSSE, WI 54601

Telephone: (608) 788 - 2181**Fax Number:** (608) 788 - 3162**E-mail Address:** bill@eacpas.psemail.com**Date of most recent audit report:** 2/19/2004**Period covered by most recent audit:** 01/01/2003 - 12/31/2003

Names and titles of utility management including manager or superintendent:

Name: MR RAMON KNUDTSON**Title:** SUPERINTENDENT**Office Address:**

112 WASHINGTON ST

P.O. BOX 117

MELROSE, WI 54642

Telephone: (608) 488 - 3191**Fax Number:** (608) 488 - 3191**E-mail Address:**

Name of utility commission/committee: VILLAGE OF MELROSE WATER UTILITY COMMISSION

Names of members of utility commission/committee:

MR TOM DOBBS

MS KATHLEEN DUNN

MS J. RANDY EBERT

MS LUANN HOUSE, CHAIRPERSON

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:**

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	85,781	82,875	1
Operating Expenses:			
Operation and Maintenance Expense (401)	62,703	50,112	2
Depreciation Expense (403)	12,133	16,962	3
Amortization Expense (404)	0	0	4
Taxes (408)	1,775	1,851	5
Total Operating Expenses	76,611	68,925	
Net Operating Income	9,170	13,950	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	9,170	13,950	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	170	124	9
Miscellaneous Nonoperating Income (421)	0	0	10
Total Other Income	170	124	
Total Income	9,340	14,074	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	4,971	0	12
Total Miscellaneous Income Deductions	4,971	0	
Income Before Interest Charges	4,369	14,074	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	1,823	3,205	13
Amortization of Debt Discount and Expense (428)	0		14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0		18
Total Interest Charges	1,823	3,205	
Net Income	2,546	10,869	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	263,437	252,568	19
Balance Transferred from Income (433)	2,546	10,869	20
Miscellaneous Credits to Surplus (434)	219,966	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)		0	24
Total Unappropriated Earned Surplus End of Year (216)	485,949	263,437	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	85,781		85,781	1
Total (Acct. 400):	85,781	0	85,781	
Operation and Maintenance Expense (401):				
Derived	62,703		62,703	2
Total (Acct. 401):	62,703	0	62,703	
Depreciation Expense (403):				
Derived	12,133		12,133	3
Total (Acct. 403):	12,133	0	12,133	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	1,775		1,775	5
Total (Acct. 408):	1,775	0	1,775	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	9,170	0	9,170	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INTEREST INCOME	170	0	170	10
Total (Acct. 419):	170	0	170	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water			0	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	0	0
TOTAL OTHER INCOME:	170	0	170

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
NONE	0	0	0 13
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		4,971	4,971 14
NONE	0	0	0 15
Total (Acct. 426):	0	4,971	4,971
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	4,971	4,971

INTEREST CHARGES**Interest on Long-Term Debt (427):**

Derived	1,823		1,823 16
Total (Acct. 427):	1,823	0	1,823

Amortization of Debt Discount and Expense (428):

NONE	0		0 17
Total (Acct. 428):	0	0	0

Amortization of Premium on Debt--Cr. (429):

NONE	0		0 18
Total (Acct. 429):	0	0	0

Interest on Debt to Municipality (430):

Derived	0		0 19
Total (Acct. 430):	0	0	0

Other Interest Expense (431):

Derived	0		0 20
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 21
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	1,823	0	1,823
NET INCOME:	7,517	(4,971)	2,546
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	263,437	0	263,437 22
Total (Acct. 216):	263,437	0	263,437
Balance Transferred from Income (433):			
Derived	7,517	(4,971)	2,546 23
Total (Acct. 433):	7,517	(4,971)	2,546
Miscellaneous Credits to Surplus (434):			
JANUARY 1, 2003 PER DOCKET 05-US-105	67,857	152,109	219,966 24
Total (Acct. 434):	67,857	152,109	219,966
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 25
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 26
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	338,811	147,138	485,949

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)	0				0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	85,781	0	0	0	85,781	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	85,781	0	0	0	85,781	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	778,926	775,047	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	252,518	237,028	2
Net Utility Plant	526,408	538,019	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	27,513	19,343	7
Total Other Property and Investments	27,513	19,343	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	15,989	18,882	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	12,630	12,843	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	650	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	28,619	32,375	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	582,540	589,737	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	24,192	24,192	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	485,949	263,437	23
Total Proprietary Capital	510,141	287,629	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	45,466	56,816	26
Total Long-Term Debt	45,466	56,816	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	868	2,471	28
Payables to Municipality (233)	25,956	22,719	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	109	136	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	26,933	25,326	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	219,966	38
Total Liabilities and Other Credits	582,540	589,737	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	775,047	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	558,960	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	219,966	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	778,926	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	179,689	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	72,829	0	0	0	12
Total Accumulated Provision	252,518	0	0	0	
Net Utility Plant	526,408	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	237,028				237,028	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	12,133				12,133	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	304				304	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
Est. deprec on contrib plnt 1/1/03	(67,857)				(67,857)	12
Total credits	(55,420)	0	0	0	(55,420)	13
Debits during year						14
Book cost of plant retired	1,919				1,919	15
Cost of removal	0				0	16
Other debits (specify):						17
					0	18
Total debits	1,919	0	0	0	1,919	19
Balance end of year (110.1)	179,689	0	0	0	179,689	20
Composite Depreciation Rate?	Yes					21
If yes, what is the rate?	2.26%					22

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.2):

1. Report the amounts charged to Depreciation Expense (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	4,971				4,971	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	67,858				67,858	10
Total credits	72,829	0	0	0	72,829	11
Debits during year						12
Book cost of plant retired	0				0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
Total debits	0	0	0	0	0	17
Balance end of year (110.2)	72,829	0	0	0	72,829	18
Composite Depreciation Rate?	Yes					19
If yes, what is the rate?	2.26%					20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0	0		0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year	0	2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation	0				0	0
Other					0	0
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0
Water utility		0
Sewer utility		0
Gas utility		0
Merchandise		0
Other materials & supplies		0
Total Materials and Supplies	0	0

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
NONE				1
Total			<u>0</u>	
Unamortized premium on debt (251)				
NONE				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	24,192	1
Changes during year (explain):		
NONE	0	2
Balance end of year	24,192	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
BLACK RIVER COUNTRY BANK	08/21/1997	12/06/2008	5.25%	45,466	1
Total for Account 224				45,466	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	1,775	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	1,775	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	1,682	7
PSC Remainder Assessment	93	8
Other (explain):		
NONE		9
Total payments and other debits	1,775	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
BLACK RIVER COUNTRY BANK	136	1,823	1,850	109	3
Subtotal	136	1,823	1,850	109	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	136	1,823	1,850	109	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
SPECIAL ACCOUNTS	27,513	3
Total (Acct. 125):	27,513	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	12,630	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	12,630	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
NONE		12
Total (Acct. 145):	0	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
DUE TO GENERAL FUND-INSURANCE, WAGES, ETC.	25,529	16
DUE TO SEWER	427	17
Total (Acct. 233):	25,956	
Other Deferred Credits (253):		
NONE		18
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	557,020	0	0	0	557,020	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	208,358	0	0	0	208,358	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	348,662	0	0	0	348,662	
Net Operating Income	9,170	0	0	0	9,170	7
Net Operating Income as a percent of						
Average Net Rate Base	2.63%	N/A	N/A	N/A	2.63%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

WATER RATE INCREASE IN EFFECT FOR THE ENTIRE YEAR

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

ENGELSON AND ASSOCIATES, LTD.
CERTIFIED PUBLIC ACCOUNTANTS
3317 Mormon Coulee Road
P.O. Box 785
La Crosse, WI 54602-0785
Phone 608-788-2181

To the Village Board
Village of Melrose
Melrose, Wisconsin

We have compiled the accompanying balance sheets of Melrose Municipal Water Utility as of December 31, 2003 and 2002 and the related statements of income and earned surplus and supplementary information for the years then ended included in the accompanying prescribed form, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited in presenting in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the accompanying financial statements and supplementary information referred to above, and accordingly, do not express an opinion or any other form of assurance on them.

These financial statements and supplementary information are presented in accordance with the Public Service Commission of Wisconsin which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

Engleson & Associates, Ltd.
La Crosse, Wisconsin
March 10, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	219,966	0	0	0	0	219,966	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	219,966					219,966	3
Balance End of Year	0	0	0	0	0	0	

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	84,687	81,936	1
Total Sales of Water	84,687	81,936	
Other Operating Revenues			
Forfeited Discounts (470)	559	460	2
Other Water Revenues (474)	535	479	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	1,094	939	
Total Operating Revenues	85,781	82,875	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	45,447	33,375	5
General Operating Expenses (680-690)	17,256	16,737	6
Total Operation and Maintenance Expenses	62,703	50,112	
Other Operating Expenses			
Depreciation Expense (403)	12,133	16,962	7
Amortization Expense (404)		0	8
Taxes (408)	1,775	1,851	9
Total Other Operating Expenses	13,908	18,813	
Total Operating Expenses	76,611	68,925	
NET OPERATING INCOME	9,170	13,950	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial	1	147	482	2
Industrial				3
Total Unmetered Sales to General Customers (460)	1	147	482	
Metered Sales to General Customers (461)				
Residential	198	10,067	45,107	4
Commercial	30	1,220	6,097	5
Industrial				6
Total Metered Sales to General Customers (461)	228	11,287	51,204	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		30,367	8
Other Sales to Public Authorities (464)	8	576	2,634	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	238	12,010	84,687	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	30,367	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	30,367	
Forfeited Discounts (470):		
Customer late payment charges	559	5
Other (specify):		
NONE	0	6
Total Forfeited Discounts (470)	559	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	329	7
Other (specify):		
NEW HOOKUPS	100	8
METER RECONNECT CHARGES	99	9
MISC.	7	10
Total Other Water Revenues (474)	535	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	18,875	19,000	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	4,011	4,965	3
Chemicals (630)	1,417	4,472	4
Supplies and Expenses (640)	1,126	1,346	5
Repairs of Water Plant (650)	20,018	3,592	6
Transportation Expenses (660)		0	7
Total Plant Operation and Maintenance Expenses	45,447	33,375	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	3,844	3,360	8
Office Supplies and Expenses (681)	479	1,876	9
Outside Services Employed (682)	2,200	2,150	10
Insurance Expense (684)	2,918	2,200	11
Employees Pensions and Benefits (686)	5,106	4,890	12
Regulatory Commission Expenses (688)	0	0	13
Miscellaneous General Expenses (689)	2,709	2,261	14
Uncollectible Accounts (690)	0	0	15
Total General Operating Expenses	17,256	16,737	
Total Operation and Maintenance Expenses	62,703	50,112	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		0	0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		1,682	1,710	3
PSC Remainder Assessment		93	141	4
Other (specify): NONE			0	5
Total tax expense		1,775	1,851	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Jackson				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.268650				3
County tax rate	mills		11.005410				4
Local tax rate	mills		5.339030				5
School tax rate	mills		13.427430				6
Voc. school tax rate	mills		3.164810				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		33.205330				10
Less: state credit	mills		1.779350				11
Net tax rate	mills		31.425980				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		5.339030				14
Combined School Tax Rate	mills		16.592240				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		21.931270				17
Total Tax Rate	mills		33.205330				18
Ratio of Local and School Tax to Total	dec.		0.660474				19
Total tax net of state credit	mills		31.425980				20
Net Local and School Tax Rate	mills		20.756055				21
Utility Plant, Jan. 1	\$	775,047	775,047				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	775,047	775,047				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	775,047	775,047				26
Assessment Ratio	dec.		0.744400				27
Assessed Value	\$	576,945	576,945				28
Net Local & School Rate	mills		20.756055				29
Tax Equiv. Computed for Current Year	\$	11,975	11,975				30
Tax Equivalent per 1994 PSC Report	\$	8,558					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$	0					32
Tax equiv. for current year (see note 6)	\$	0					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	6,650		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	39,405		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	13,733		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	59,788	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	73,252		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	81,530	616	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	154,782	616	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	7,599	1,756	23
Total Water Treatment Plant	7,599	1,756	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			6,650	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			39,405	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			13,733	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	59,788	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			73,252	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)	554		81,592	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	554	0	154,844	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)	465		8,890	23
Total Water Treatment Plant	465	0	8,890	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	50		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	8,250		26
Transmission and Distribution Mains (343)	444,992		27
Fire Mains (344)	0		28
Services (345)	41,603		29
Meters (346)	15,154	1,020	30
Hydrants (348)	34,612		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	544,661	1,020	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	6,000		37
Other General Equipment (379)	279	2,406	38
Other Tangible Property (390)	1,938		39
Total General Plant	8,217	2,406	
Total utility plant in service directly assignable	775,047	5,798	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	775,047	5,798	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			50	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			8,250	26
Transmission and Distribution Mains (343)		(201,159)	243,833	27
Fire Mains (344)			0	28
Services (345)		(18,807)	22,796	29
Meters (346)	900		15,274	30
Hydrants (348)			34,612	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	900	(219,966)	324,815	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			0	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			6,000	37
Other General Equipment (379)			2,685	38
Other Tangible Property (390)			1,938	39
Total General Plant	0	0	10,623	
Total utility plant in service directly assignable	1,919	(219,966)	558,960	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	1,919	(219,966)	558,960	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	<u>0</u>	<u>0</u>	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	<u>0</u>	<u>0</u>	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	<u>0</u>	<u>0</u>	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)
TRANSMISSION AND DISTRIBUTION PLANT		
Land and Land Rights (340)		24
Structures and Improvements (341)		25
Distribution Reservoirs and Standpipes (342)		26
Transmission and Distribution Mains (343)		27
Fire Mains (344)		28
Services (345)		29
Meters (346)		30
Hydrants (348)		31
Other Transmission and Distribution Plant (349)		32
Total Transmission and Distribution Plant	<u>0</u>	<u>0</u>
GENERAL PLANT		
Land and Land Rights (370)		33
Structures and Improvements (371)		34
Office Furniture and Equipment (372)		35
Computer Equipment (372.1)		36
Transportation Equipment (373)		37
Other General Equipment (379)		38
Other Tangible Property (390)		39
Total General Plant	<u>0</u>	<u>0</u>
Total utility plant in service directly assignable	<u>0</u>	<u>0</u>
Common Utility Plant Allocated to Water Department		40
Total utility plant in service	<u>0</u>	<u>0</u>

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		201,159	201,159 27
Fire Mains (344)			0 28
Services (345)			0 29
Meters (346)		18,807	18,807 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	219,966	219,966
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	219,966	219,966
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	219,966	219,966

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			1,354	1,354	1
February			1,053	1,053	2
March			1,244	1,244	3
April			1,328	1,328	4
May			1,326	1,326	5
June			1,089	1,089	6
July			1,163	1,163	7
August			1,425	1,425	8
September			1,163	1,163	9
October			1,106	1,106	10
November			1,181	1,181	11
December			1,039	1,039	12
Total annual pumpage	0	0	14,471	14,471	
Less: Water sold				12,010	13
Volume pumped but not sold				2,461	14
Volume sold as a percent of volume pumped				83%	15
Volume used for water production, water quality and system maintenance				555	16
Volume related to equipment/system malfunction				30	17
Non-utility volume NOT included in water sales					18
Total volume not sold but accounted for				585	19
Volume pumped but unaccounted for				1,876	20
Percent of water lost				13%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				233	23
Date of maximum: 1/16/2003					24
Cause of maximum:					25
WELL #3 DID NOT SHUT OFF					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				19	26
Date of minimum: 11/10/2003					27
Total KWH used for pumping for the year				54,805	28
If water is purchased: Vendor Name:					29
Point of Delivery:					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
ACTIVE UNIT	#1	184	8	5,000	Yes	1
ACTIVE UNIT	#3	84	10	5,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#1	#3		1
Location	WELL 1	WELL 3		2
Purpose	B	P		3
Destination	D	D		4
Pump Manufacturer	WATKINS	LAYNE		5
Year Installed	1938	1983		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	80	100		8
Pump Motor or Standby Engine Mfr	NSP	NSP		10
Year Installed	1938	1983		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	15	18		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	HORTON		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		4
			5
Year constructed	1938		6
			7
Primary material (earthen, steel, concrete, other)	STEEL		8
			9
Elevation difference in feet (See Headnote 3.)	84		10
			11
Total capacity in gallons (actual)	50,000		12
WATER TREATMENT PLANT			13
Disinfection, type of equipment (gas, liquid, powder, other)	LIQUID		14
			15
Points of application (wellhouse, central facilities, booster station, other)	WELLHOUSE		16
			17
Filters, type (gravity, pressure, other, none)	PRESSURE		18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	0.1440		20
			21
Is a corrosion control chemical used (yes, no)?	Y		22
			23
Is water fluoridated (yes, no)?	N		24
			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
M	D	2.000	311	0	0	0	311
M	D	3.000	14	0	0	0	14
M	D	6.000	13,727	0	0	0	13,727
M	D	8.000	2,458	0	0	0	2,458
Total Within Municipality			16,510	0	0	0	16,510
Total Utility			16,510	0	0	0	16,510

1
2
3
4

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.625	227	2	0	0	229		1
M	1.000	8	0	0	0	8		2
M	1.500	4	0	0	0	4		3
M	2.000	1	0	0	0	1		4
Total Utility		240	2	0	0	242	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	246	12	18	0	240	29	1
1.000	9	0	0	0	9	1	2
1.500	6	0	0	0	6	0	3
2.000	2	0	0	0	2	0	4
Total:	263	12	18	0	257	30	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	199	28	0	3	0	10	240	1
1.000	3	2	0	2	0	2	9	2
1.500	2	1	0	2	0	1	6	3
2.000	0	0	0	1	0	1	2	4
Total:	204	31	0	8	0	14	257	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	39				39	2
Total Fire Hydrants	39	0	0	0	39	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	39
Number of distribution system valves end of year:	60
Number of distribution valves operated during year:	57

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Airburst of water mains \$17,000

Taxes (Acct. 408 - Water) (Page W-06)

General footnotes

THERE IS NOT A VALUE REPORTED FOR LOCAL AND SCHOOL TAX EQUIVALENT ON METERS CHARGED TO THE SEWER DEPARTMENT BECUASE THE PROPERTY TAX EQUIVALENT IS ZERO.

Property Tax Equivalent (Water) (Page W-07)

If Lower Tax Equivalent authorized by municipality is greater than or equal to zero, please explain.

ON APRIL 1, 1998 THE VILLAGE OF MELROSE BOARD PASSED AN ORDINANCE TO SET THE WATER TAX EQUIVALENT AT ZERO BEGINNING WITH THE YEAR 1998.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Adjustments for any account are nonzero, please explain.

ADJUST NECESSARY TO SET UP PLANT FINANCED BY CONTRIBUTIONS PER DOCKET 05-US-105.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

If Adjustments for any account are nonzero, please explain.

ADJUST NECESSARY TO SET UP PLANT FINANCED BY CONTRIBUTIONS PER DOCKET 05-US-105.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

THE SERVICE WAS PAID FOR BY THE VILLAGE A FEW YEARS AGO WHEN WATER MAIN WAS EXTENDED.

If Services Additions are greater than zero AND Additions on both of the Plant in Service schedules (Account 345) are zero, please explain.

SERVICE ADDITIONS ARE SHOWN AS 2 AND THERE ARE NO ADDITIONS TO ACCT 345. THIS SERVICE WAS PAID FOR A FEW YEARS AGO AND IS BEING HOOKED UP TO FOR THE FIRST TIME.
